

Evan Livingstone, SBN 252008
WADE LITIGATION, APC
262 East Main Street
Los Gatos, CA 95030
Direct Line:(408) 884-4018
Telephone: (408) 842-1688
Facsimile: (408) 549-1612
Email: elivingstone@wadelitigation.com

Attorneys for Defendants
Welcome Trader's, Rehman Trader's,
Sarib Rehman, and Mehlab Fatima

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

AMERICAN EXPRESS NATIONAL BANK,
and AMERICAN EXPRESS TRAVEL
RELATED SERVICES COMPANY, INC., a
New York corporation;

Plaintiffs,

vs.

WELCOME TRADER'S, a California
corporation; REHMAN TRADER'S, a
California corporation; SARIB REHMAN, an
individual; and MEHLAB FATIMA, an
individual;

Defendants.

Case No. 2:24-cv-03320-WBS-SCR

**STIPULATION TO SET ASIDE
DEFENDANTS' DEFAULT,
DEFENDANTS' PROPOSED ANSWER**

WHEREAS on November 27, 2024, Plaintiffs AMERICAN EXPRESS NATIONAL BANK, and AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC. ("Plaintiffs") filed the complaint in this action against Defendants WELCOME TRADER'S, REHMAN TRADER'S, SARIB REHMAN, and MEHLAB FATIMA ("Defendants").

WHEREAS Defendants were served with the summons and complaint on or about February 5, 2025.

WHEREAS Defendants hired the undersigned counsel to represent them on or about March 6, 2025.

WHEREAS Defendants' counsel failed to timely file a responsive pleading.

WHEREAS Plaintiffs requested entry of Plaintiffs' default on March 7, 2025 and the clerk entered Plaintiffs' default on March 13, 2025.

WHEREAS Defendant's counsel contacted Plaintiffs' counsel on March 10, 2025, the first court day after Plaintiffs requested Defendants' default.

WHEREAS the parties have been engaged in settlement discussions since March 10, 2025.

WHEREAS the parties have not agreed to a settlement.

WHEREAS the parties stipulate that there is good cause to set aside Defendants' default pursuant to Fed. Rule Civ. Proc., Rule 60, subd. (b)(1),

WHEREAS, a copy of Defendants' proposed answer is attached as Exhibit A

THEREFORE, the parties stipulate as follows:

1) The Default of Defendants WELCOME TRADER'S, REHMAN TRADER'S, SARIB REHMAN, and MEHLAB FATIMA entered on March 13, 2025, will be set aside.

2) Defendants WELCOME TRADER'S, REHMAN TRADER'S, SARIB REHMAN, and MEHLAB FATIMA will file a responsive pleading within 5 court days of the Court entering an order approving this stipulation and setting aside Defendant's default.

IT IS SO STIPULATED:

Dated: April 17, 2025

WADE LITIGATION, APC

By: /s/Evan Livingstone
Evan Livingstone
Attorneys for Defendants
WELCOME TRADER'S, REHMAN
TRADER'S, SARIB REHMAN, and
MEHLAB FATIMA

Dated: April 17, 2025

STEPTOE LLP

By: /s/Stephen J. Newman as authorized on 4/16/2025
Stephen J. Newman
Attorneys for Plaintiffs
AMERICAN EXPRESS NATIONAL
BANK and AMERICAN EXPRESS
TRAVEL RELATED SERVICES
COMPANY, INC.

EXHIBIT A

Evan Livingstone, SBN 252008
WADE LITIGATION, APC
262 East Main Street
Los Gatos, CA 95030
Direct Line:(408) 884-4018
Telephone: (408) 842-1688
Facsimile: (408) 549-1612
Email: elivingstone@wadelitigation.com

Attorneys for Defendants
Welcome Trader's, Rehman Trader's,
Sarib Rehman, and Mehlab Fatima

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

AMERICAN EXPRESS NATIONAL BANK,
and AMERICAN EXPRESS TRAVEL
RELATED SERVICES COMPANY, INC., a
New York corporation;

Plaintiffs,

vs.

WELCOME TRADER'S, a California
corporation; REHMAN TRADER'S, a
California corporation; SARIB REHMAN, an
individual; and MEHLAB FATIMA, an
individual;

Defendants.

Case No. 2:24-cv-03320-WBS-SCR

**[PROPOSED] DEFENDANTS' ANSWER
TO COMPLAINT**

Defendants Welcome Trader's, Rehman Trader's, Sarib Rehman, and Mehlab Fatima
("Defendants") answer the Complaint [Dkt. 1] filed by Plaintiffs American Express National
Bank, and American Express Travel Related Services Company, Inc. ("Plaintiff") as follows:

NATURE OF THE ACTION

1. Complaint paragraph 1 purports to describe the Complaint, rather than set forth
factual assertions, and therefore requires no answer. To the extent an answer is required,
Defendants deny that they are liable to Plaintiffs for breach of contract, fraud, civil conspiracy to
defraud, account stated, money had and received, unjust enrichment, or false promise.

2. Complaint paragraph 2 purports to describe the Complaint, rather than set forth factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants deny that they are liable to Plaintiffs for breach of contract, fraud, civil conspiracy to defraud, account stated, money had and received, unjust enrichment, or false promise.

3. Complaint paragraph 3 purports to describe the Complaint, rather than set forth factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants deny that they are liable to Plaintiffs for breach of contract, fraud, civil conspiracy to defraud, account stated, money had and received, unjust enrichment, or false promise.

PARTIES

4. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 4.

5. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 5.

6. Defendants admit the allegations of Complaint paragraph 6.

7. Defendants admit the allegations of Complaint paragraph 7.

8. Defendants admit the allegations of Complaint paragraph 8.

9. Defendants admit the allegations of Complaint paragraph 9.

10. Complaint paragraph 10 is a legal contention, rather than factual assertions, and therefore requires no answer.

JURISDICTION AND VENUE

11. Complaint paragraph 11 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit the Court has diversity jurisdiction over this matter.

12. Complaint paragraph 12 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit the Court has personal jurisdiction over Defendant Welcome Trader's.

13. Complaint paragraph 13 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit the Court has personal jurisdiction over Defendant Rehman Trader's.

14. Complaint paragraph 14 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit the Court has personal jurisdiction over Defendant Mehlab Fatima.

15. Complaint paragraph 12 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit the Court has personal jurisdiction over Defendant Sarib Rehman.

16. Complaint paragraph 12 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants admit that venue is proper in this Court.

FACTUAL ALLEGATIONS

17. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 17.

18. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 18.

19. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 19.

20. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 20.

21. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 21.

22. Defendants deny the allegations of Complaint paragraph 22.

23. Defendants deny the allegations of Complaint paragraph 23.

24. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 24.

25. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 25.

26. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 26.

27. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 27.

28. Defendants deny the allegations of Complaint paragraph 28.

FIRST CLAIM FOR RELIEF

Breach of Contract – 1109 Agreement

(Against Rehman Trader's and Fatima)

29. Complaint paragraph 29 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

30. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 30.

31. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 31.

32. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 32, and on that basis denies the allegations.

33. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 33, and on that basis denies the allegations.

34. Defendants deny the allegations of Complaint paragraph 34.

35. Defendants deny the allegations of Complaint paragraph 35.

SECOND CLAIM FOR RELIEF

Breach of Contract – 41001 Agreement

(Against Welcome Trader's and Rehman)

36. Complaint paragraph 36 realleges and incorporates by reference each and every

allegation contained in the preceding paragraphs, and is therefore no response is required.

37. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 37.

38. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 38.

39. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 39, and on that basis denies the allegations.

40. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 40, and on that basis denies the allegations.

41. Defendants deny the allegations of Complaint paragraph 41.

42. Defendants deny the allegations of Complaint paragraph 42.

THIRD CLAIM FOR RELIEF

Breach of Contract – 81008 Agreement

(Against Welcome Trader's and Rehman)

43. Complaint paragraph 43 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

44. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 44.

45. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 45.

46. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 46, and on that basis denies the allegations.

47. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 47, and on that basis denies the allegations.

48. Defendants deny the allegations of Complaint paragraph 48.

49. Defendants deny the allegations of Complaint paragraph 49.

FOURTH CLAIM FOR RELIEF

Breach of Contract – 61003 Agreement

(Against Rehman Trader's and Fatima)

50. Complaint paragraph 50 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

51. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 51.

52. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 52.

53. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 53, and on that basis denies the allegations.

54. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 54, and on that basis denies the allegations.

55. Defendants deny the allegations of Complaint paragraph 55.

56. Defendants deny the allegations of Complaint paragraph 56.

FIFTH CLAIM FOR RELIEF

Fraud – Intentional Misrepresentation

(Against all Defendants)

57. Complaint paragraph 57 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

58. Defendants deny the allegations of Complaint paragraph 58.

59. Defendants deny the allegations of Complaint paragraph 59.

60. Defendants deny the allegations of Complaint paragraph 60.

61. Complaint paragraph 61 is a legal contention, rather than factual assertions, and therefore requires no answer.

62. Complaint paragraph 62 is a legal contention, rather than factual assertions, and therefore requires no answer.

63. Complaint paragraph 63 is a legal contention, rather than factual assertions, and therefore requires no answer.

SIXTH CLAIM FOR RELIEF

Civil Conspiracy to Defraud

(Against all Defendants)

64. Complaint paragraph 64 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

65. Defendants deny the allegations of Complaint paragraph 65.

66. Defendants deny the allegations of Complaint paragraph 66.

67. Complaint paragraph 67 is a legal contention, rather than factual assertions, and therefore requires no answer.

68. Complaint paragraph 68 is a legal contention, rather than factual assertions, and therefore requires no answer. To the extent an answer is required, Defendants deny that they acted willfully and with intent to cause injury to American Express.

SEVENTH CLAIM FOR RELIEF

Account Stated

(Against all Defendants)

69. Complaint paragraph 69 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

70. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 70, and on that basis denies the allegations.

71. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 71, and on that basis denies the allegations.

72. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 72, and on that basis denies the allegations.

EIGHTH CLAIM FOR RELIEF

Unjust Enrichment

(Against all Defendants)

73. Complaint paragraph 73 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

74. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 74.

75. Defendants are informed and believe and, on that basis, admit the allegations of Complaint paragraph 75.

76. Defendants deny the allegations of Complaint paragraph 76.

NNITH CLAIM FOR RELIEF

Money Had and Received

(Against all Defendants)

77. Complaint paragraph 77 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

78. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 78, and on that basis denies the allegations.

79. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 78, and on that basis denies the allegations.

80. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 78, and on that basis denies the allegations.

TENTH CLAIM FOR RELIEF

False Promise

(Against all Defendants)

81. Complaint paragraph 81 realleges and incorporates by reference each and every allegation contained in the preceding paragraphs, and is therefore no response is required.

82. Defendants admit the allegations of Complaint paragraph 82.

83. Defendants deny the allegations of Complaint paragraph 83.

84. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 84, and on that basis denies the allegations.

85. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 85, and on that basis denies the allegations.

86. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in Complaint paragraph 85, and on that basis denies the allegations.

87. Defendants deny the allegations of Complaint paragraph 87.

PRAYER FOR RELIEF

Defendants deny that Plaintiffs are entitled to any actual damages, statutory damages, costs, attorney's fees, or other relief from or against Defendants.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

Failure to State a Claim

The Complaint and each claim fail to state a claim against Defendants upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Contributory Negligence / Plaintiff's Own Acts / Failure to Mitigate

Part, if not all, of Plaintiff's alleged damages were incurred as a result of Plaintiff's own breaches, acts, omissions, negligence and/or his failure to exercise reasonable diligence to mitigate their alleged harm and/or damages. Plaintiff is therefore barred from recovering any damages, or any damages awarded should be reduced accordingly.

THIRD AFFIRMATIVE DEFENSE

Justification/Privilege

The Complaint and each claim for relief alleged therein is barred, in whole or in part, to the extent that Defendants' alleged actions, if done at all, were justified and/or privileged.

FOURTH AFFIRMATIVE DEFENSE

Laches

The Complaint and each claim for relief alleged therein is barred, in whole or in part, to the doctrine of laches.

FIFTH AFFIRMATIVE DEFENSE

The Complaint and each claim for relief alleged therein is barred, in whole or in part, to the Plaintiffs' waiver.

SIXTH AFFIRMATIVE DEFENSE

Reservation

Defendants presently have insufficient knowledge or information upon which to form a belief as to whether they have or may have additional, yet unstated, affirmative or other defenses. Defendants reserve the right to assert additional affirmative or other defenses in the event its investigation or discovery indicates that additional affirmative or other defenses are appropriate.

WHEREFORE, Defendants pray for judgment on the Complaint, attorney's fees, costs of suit, and such other relief as the Court may award.

Dated: April 17, 2025

WADE LITIGATION

By: /s/Evan Livingstone
Evan Livingstone
Attorneys for Defendants
WELCOME TRADER'S, REHMAN
TRADER'S, SARIB REHMAN,
AND MEHLAB FATIMA